



State of California's

Health Insurance Portability and Accountability Act of 1996 Project

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Health Insurance Portability and Accountability Act of 1996

- ⌘ A Federal Law that we must all implement
- ⌘ National Standards and Best Practices
- ⌘ Variety of rules to implement
- ⌘ Variety of implementation dates
- ⌘ A number of opportunities



Why Worry about HIPAA?

⌘ Federal reimbursements

- ▢ **\$24.6B a year in CA's Medi-Cal program**
- ▢ **Insurance and third party reimbursements**

⌘ A lot of work to do in short and varied timelines

- ▢ **Many processes at many sites are impacted in many ways**

⌘ Funding and resources

- ▢ **\$144,000,000+ of changes needed in State's processes**
- ▢ **No county, local or provider funding for changes**
- ▢ **Few HIPAA knowledgeable resources available**

⌘ Ability to work with business partners

- ▢ **90,000 providers in CA, number may increase under HIPAA**
- ▢ **Ensure service delivery continues**



Why Worry about HIPAA?

⌘ Ability to meet program objectives

- ▢ Apply industry standards and best practices
- ▢ Effective oversight and new programs
- ▢ Ensure communication and coordination

⌘ Potential liabilities

- ▢ Minimize service delivery impacts
- ▢ Consistent approaches

⌘ Accreditation of facilities and right to bill

⌘ Ability of business partners to work with us

⌘ Many opportunities with changes

- ▢ Improve Service Delivery
- ▢ Business partner interactions
- ▢ Business processes and procedures - re-engineering
- ▢ IT approaches and infrastructure



CA's Approach

⌘ Governor's Office level support

- Health & Human Services Agency - Lead Agency
Office of HIPAA Implementation
- Department of Finance
- Department of Information Technology



HHSA - OHI

⌘ Health & Human Services Agency's, Office of HIPAA Implementation (OHI)

- ⬆ Leadership to all impacted State departments
- ⬆ Monitor and report status and issues
- ⬆ Advisory committees, involving key stakeholders
- ⬆ Assess implementation efforts
- ⬆ Communication outreach
- ⬆ Statewide Master Plan
- ⬆ Consider HIPAA Fund requests



DOF & DOIT

⌘ Department of Finance

- ⚙ Proposed \$70M HIPAA Fund for 2001/2002
- ⚙ Establishing a HIPAA Fund process

⌘ Department of Information Technology

- ⚙ Ensure that reasonable IT processes are initiated to realize success
- ⚙ Assist in communication and coordination of issues



Impacted Departments

⌘ Departments

- ✉ Report to OHI if impacted
- ✉ Ensure service delivery will not be impacted
- ✉ Perform Awareness, Inventory, Gap Analysis, Project Planning, Remediation
- ✉ Ensure that business partners will be ready
- ✉ Coordinate with OHI to achieve compliance
- ✉ Determine readiness of counties
Share readiness information with OHI
- ✉ Establish Contingency Plans



Outreach Efforts

⌘ Governor's Office

- > Statewide direction creating OHI and defining roles>
- > Executive Leadership Forum

⌘ State Workgroup and Sub-Workgroups

⌘ HHSA Legal Workgroup

⌘ HHSDC Training - for state, counties and cities

⌘ Efforts by Departments

- > DHS Conference, DMH Information Sharing, etc.

⌘ Business Partner Outreach - many presentations, newsletters, e-mails, Workgroup involvement, etc.



Communication and Coordination

⌘ State Workgroup and Sub-Workgroups

- ↪ Over 600 participants from 100+ entities
- ↪ Involves departments, counties and providers
- ↪ Sub-Workgroups for major topic areas
- ↪ Ensure CA's needs and issues go to national forums
- ↪ Share and document best practices
- ↪ Ensure communication and coordination with business partners

⌘ Websites

- ↪ Public and Private Websites
- ↪ Variety of information, tools, contacts and resources



Project Planning

⌘ Project Management Office - in development

Will extend existing plans and coordinate efforts:

<u>TASKS</u>		< ----- 2001 ----- > < ----- 2002 ----- > < ----- 2003 ----- > < - 2004+ - > < 2005+- >
<u>A. Awareness:</u>		J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D
1. Executive support		ongoing
2. Establish Status of State and Counties		
3. Training at HHSDC		ongoing
<u>B. Communication, Coordination & Control:</u>		ongoing
4. HIPAA Workgroup Meetings		every 3 weeks:
5. Status Reports		ongoing
6. Participate in National Forums		ongoing meetings about every 3 months on each standard Ongoing
7. HIPAA Information Sharing Forums		Every 3 to 6 months
8. Information on a Website		ongoing
<u>C. Planning and Resources:</u>		ongoing
9. Departmental Project Plans		
10. Resource Pool(s)		Resources may become available 7/1/01



Planning - (continued)

	<----- 2001 ----->	<----- 2002 ----->	<----- 2003 ----->	<----- 2004+ ----->	<----- 2005+ ----->
	J F M A M J J A S O N D	J F M A M J J A S O N D	J F M A M J J A S O N D	J F M A M J J A S O N D	J F M A M J J A S O N D
TASKS					
D. <u>Inventory, Gap Analysis, Remediation, Testing & Implementation:</u>					
11. Contingency Planning	-----	-----	-----	-----	-----
12. Legislation (as needed)	-----	-----	-----	-----	-----
13. <u>Implement HIPAA Standards:</u>					
a. Implement Transactions and Codes	=====				
b. Telecom / Privacy-Security Infrastructure	-----				
c. Monitor of proposed rules	ongoing				
d. Implement Attachments		?-----			
e. Implement Privacy	=====				
f. Implement Security		?-----			
g. Implement Unique Identifiers		?-----			
h. Implement ICD10			?-----		
i. Implement Additional Standards					through 2005+?
j. Implement Ongoing Annual Changes		?----- through 2005+ -----	?-----	?-----	?-----
k. Provider Id Infrastructure	-----	and ongoing			
l. Testing Infrastructure	-----	and ongoing			
m. Project Mgmt Office (PMO) Infrastructure	-----	and ongoing			
n. Policy and Procedure Infrastructure	-----	and ongoing			
o. Master Service Agreement for Resources	-----	and ongoing			



California Involvement

Ensure CA's needs, issues and concerns are addressed in:

⌘ National Forums

On rules and code sets

Codes needed to reflect CA service delivery











⌘ National Workgroups

⌘ National Business Partner Groups

⌘ State Business Partner Groups



CA's Opportunities

-  Improve service delivery for beneficiaries
-  Simplify billing
-  Faster payment
-  Improve business processes - re-engineering
-  Revamp business partner interactions
-  Reduce redundant overhead processes
-  Improve oversight processes
-  Standardize data to analyze programs and issues
-  Improve service support infrastructure
-  Reduced fraud and abuse



CA is leveraging resources:

Work with business partners to:

- 👉 Minimize discovery processes,
- 👉 Jointly address and resolve issues,
- 👉 Clarify issues and document industry practices,
- 👉 Be informed of issues and topics of interest, and
- 👉 Implement solutions consistent with best practices.

Work with business partners via:

- 👉 National forums and conferences,
- 👉 Occupational organizations,
- 👉 Local or state workgroups, and
- 👉 Workgroups within your own entity.



Working now to:

⌘ **CA is working to meet the federal timelines!**

⌘ **Working with impacted entities to:**

Raise awareness,

Inventory and Assess Impacts,

Plan and Monitor the Project,

Implement Changes,

Address Issues, and

Communicate and Coordinate with Business Partners



Overview of California's HIPAA Effort:

- 👉 Governor's level support**
- 👉 Health & Human Services Agency leadership role**
- 👉 Ensuring critical service delivery will continue**
- 👉 Diverse range of programs at many sites to consider**
- 👉 Heavy communication and coordination**
- 👉 National involvement so CA's needs may be met**
- 👉 Ongoing processes with business partners**
- 👉 Many challenges and opportunities**